

Princeton University
Woodrow Wilson School Graduate Program
Fall 2008

WWS 593i

The Federal Budget

Thursdays, 1:00 PM to 4:00 PM

Robertson Hall, Room 011

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Description:

This course will cover the way the Federal budget process is supposed to work and the way it actually does work. In the first two weeks, students will learn the budget process's definitions, concepts, procedures, and schedules, followed by an in-class quiz on those subjects. In the second two weeks, students will learn about the recent history of the budget process and how budgeting in Washington has reached its current state. In the final two weeks of the course, students will put together budgets of their own that they will justify in the final term paper.

******Pre-requisite:** *Students must know how to build a spreadsheet and use it as part of their final paper.* ****

Course Assignments and Grading:

15% class participation

35% in-class quiz (one hour) on definitions, concepts, procedures, and schedules (September 25)

50% 12-page, double-spaced term paper, including spreadsheet(s), delineating the future paths of spending and taxes and justifying them. (due November 10)

Consequences:

There will be no make-up exam for those who miss the in-class quiz. Failure to take the in-class quiz will result in a grade of zero for that part of the course. The only exceptions to this will be incapacitating illness, family tragedy, or national emergency.

The 12-page, double-spaced term paper, including spreadsheet(s), is due November 10. Failure to turn it in by that date will result in a decrement of one letter grade. Failure to turn it in by November 17 will result in a decrement of two letter grades. Failure to turn it in by November 24 will result in a zero for that part of the course.

COURSE TIMELINE AND ASSIGNMENTS

September 11 and 18: Budget definitions, concepts, procedures, and schedules

Required reading:

The Federal Budget: Politics, Policy, Process, Allen Schick and Felix LoStracco

The Guide to the Federal Budget, Stanley Collender

Introduction to the Federal Budget Process, CRS 98-721 GOV (on reserve)

Other resources:

Websites of the House and Senate Budget Committees, pages relating to definitions and procedures.

September 25 and October 2: The History of the Budget Process

******In-class quiz on October 1******

Required reading:

Committee on the Budget, 1974 - 2006, United States Senate, pages 19 - 70

Reconcilable Differences?, John B. Gilmour, Introduction plus Chapters 1, 2, 3, and 5

Making Ends Meet: Congressional Budgeting in the Age of Deficits, Daniel P. Franklin, Chapters 3 and 4

Other resources:

The New Politics of the Budgetary Process, Aaron Wildavsky, Chapters 2, 3, and 4

“*The First Five Years of Congressional Budgeting*”, Allen Schick, in *The Congressional Budget Process After Five Years*, edited by Rudolph G. Penner

The Tax Decade, C. Eugene Steuerle, Chapters 1 through 4, 11, and 12

The Fiscal Revolution in American, Herbert Stein

October 9 and 16: Fixing the Federal Budget

******Term paper due November 12******

Required reading:

Restoring Fiscal Sanity 2004, Isabel Sawhill and Alice Rivlin, eds.

Restoring Fiscal Sanity 2005: Meeting the Long-Run Challenge, Isabel Sawhill and Alice Rivlin, eds.

Restoring Fiscal Sanity 2007, Joseph Antos and Alice Rivlin, eds.

For this part of the course, the class will practice building a budget spreadsheet, discussing major current budget issues. Students will engage in vigorous class discussion justifying different budget approaches and estimates. Students also will make extensive use of U.S. government and other websites (e.g. OMB, CBO, JCT, Urban-Brookings Tax Policy Center) to build spreadsheets on their own, showing a solution to America's budget problems. These individual spreadsheets will be the foundation for the term papers.